S Africa

House Votes to Ban Nearly All S. African Trade

By Don Phillips
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The House voted 244 to 132 yesterday to ban almost all trade with South Africa except U.S. imports of strategic materials, force all U.S. corporations and citizens to divest all investments in the country and ban almost all U.S.-South African military and intelligence cooperation.

The legislation, amounting to a declaration of economic war, also would require retaliation against European and Asian countries that fill the trade gap left by the U.S. withdrawal, and would force international oil companies to choose between their South African operations and any new U.S. oil, coal and gas leases.

The Senate Foreign Relations Committee is scheduled to meet Sept. 8 to draft a sanctions bill, likely to be less sweeping than the House measure, and proponents said they hope to move the bill to the Senate floor quickly. However, there is some question whether they could overcome a likely filibuster. The House bill is strongly opposed by the Reagan administration.

The House bill, far tougher than the sanctions imposed by Congress in 1986, was the last major House business before it recessed for the Republican National Convention. Republicans, many of whom missed their planned flights to New Orleans, charged that the bill is a Democratic effort to give Michael S. Dukakis an issue just before the GOP gathering.

"This is the Dukakis-Jackson foreign policy initiative," said Rep. William S. Broomfield (R-Mich.), ranking minority member of the House Foreign Affairs Committee. A

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Broomfield amendment to allow the president to waive the sanctions if Japan, West Germany, Britain, France and Italy do not also impose comparable sanctions was defeated 236 to 155. All other GOP amendments also were defeated.

As passed, the House bill would require the president to negotiate with Japan, West Germany, Britain, France and Italy and to retaliate against them if they take advantage of the U.S. action and step up their trade with the apartheid government. With the United States, the five nations account for 78 percent of South Africa's nongold exports and 79 percent of its imports.

U.S. direct investment in South Africa was $1.4 billion in 1986, and indirect investment—mainly holdings in South African gold-mining companies—was $2.5 billion to $3 billion, according to the House Foreign Affairs Committee. U.S. corporations now pay $200 million a year in corporate taxes to the South African government. U.S. bank loans were $2.95 billion as of September 1987.

Debate, official and unofficial, often grew emotional and sometimes bitter, including a confrontation between Reps. Henry J. Hyde (R-Ill.) and Sam M. Gibbons (D-Fla.) that began when Gibbons interrupted Hyde while Hyde was complaining that the Democrats were arrogant to bring the bill up under strict limits on amendments, and ended with a private argument. Hyde, visibly angry, was overheard to snarl at Gibbons, "Arrogant, arrogant, arrogant," after which he stalked out of the chamber, loudly banging open the door to the cloakroom.

But the most emotional moment came in a speech by Rep. Ronald V. Dellums (D-Calif.), who came to Congress two decades ago as an activist firebrand and who has grown gray-haired and into the House establishment as chairman of a House Armed Services subcommittee and chairman of the District of Columbia Committee. Dellums introduced the first sanctions bill 18 years ago and in 1986 succeeded in getting the House to pass one that contained some of the provisions of the bill that passed yesterday. In 1986, however, Congress passed a less stringent Senate bill.

"You made me struggle for 18 years," he told his colleagues. "But it's time to wake up. . . . Come hell or high water, we'll struggle 'til South Africa is free." He received a standing ovation, including most of the Republican side of the chamber.

Democrats generally cast the issue as the only way to force South Africa to act, while most Republicans said it would only force South Africa deeper into apartheid while putting many black South Africans out of work.

Rep. Dan Burton (R-Ind.) said the bill would put more than 2 million black adults out of work and "put 10 million black children to bed hungry at night."

"Two hundred years ago, blacks in this country were fully employed on the plantations," responded Rep. Mickey Leland (D-Tex.). There was a lot of debate, he said, "whether we should be employed or free."

The bill establishes six new sanctions:

- It bans all U.S. investment in South Africa, including loans, and gives corporations and citizens 180 days to divest their holdings. The president could extend the deadline another 180 days. Investment in nonwhite-owned businesses in South Africa would be exempt from the ban.
- It bans all imports from South Africa except publications and strategic materials essential to the U.S. economy, including andalusite, antimony, asbestos, chromium, cobalt, industrial diamonds, manganese, platinum, rutile and vanadium. The United States is in a bind over some of these materials because they are found only in South Africa and the Soviet Union.
- It prohibits all exports to South Africa except agricultural products, publications, humanitarian assistance, charitable contributions and material for U.S. news organizations.
- It prohibits any U.S. agency from cooperating with South Africa on military or intelligence matters except for information on Cuban or other communist troop movements in southern Africa.
- It prohibits the Interior Department from granting new mineral leases to the U.S. subsidiary of any foreign company that holds investments in or transports oil to South Africa. This would primarily affect Total Petroleum, Royal Dutch Shell, which owns Shell Oil Co., and British Petroleum, which controls Standard Oil Co. (Ohio).
- It bans use of U.S.-owned, -controlled or -registered ships from transporting oil to South Africa. South Africa has no native oil.